

CONGRESSMAN **JESSE L. JACKSON JR.**
PROUDLY SERVING THE 2nd DISTRICT OF ILLINOIS

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Balanced Budget Amendment and CAP Act Provide Gutless Solution in Search of Problem

On learning of Sen. Joe Manchin's (D-WV) support for strict spending limits as a requirement for his vote to raise the federal debt limit, Rep. Jesse L. Jackson, Jr. (D-IL) said the following:

"I am deeply disappointed that Sen. Manchin has endorsed both the Commitment to American Prosperity Act (CAP Act) and a Balanced Budget Amendment (BBA) as a prerequisite for his vote on raising the federal debt limit. While I doubt the BBA would garner the constitutionally required support of two-thirds of both the House and Senate and the three-fourths of the state legislatures, the CAP Act has the potential to be signed into law by the time the debt ceiling needs to be raised," Jackson said. The CAP Act mandates strict spending caps starting in 2013 as a percentage of Gross Domestic Product (GDP). President Obama's FY 2012 budget proposal keeps spending at 24 percent of GDP, while the CAP Act would eventually ratchet down spending to 20.6 percent of GDP by 2022.

Jackson added: "I am afraid that Sen. Manchin has bought hook, line and sinker, the Republican falsehood that "Washington doesn't have a revenue problem, it has a spending problem." Buying into this fabrication implies that there is only one solution to this problem - cut spending. The CAP Act denies the reality that we have more than a spending problem. We also have a revenue problem and a healthcare problem and an unemployment problem. The biggest cost to federal spending is healthcare which is rising much faster as a percentage of GDP, yet the CAP Act does nothing to control the cost of healthcare. The best way to solve our debt problem is to grow the economy by creating jobs, yet the CAP Act does nothing to create jobs.

"I am perplexed as to why Sen. Manchin has endorsed this line of thinking since West Virginia, more than most states, would suffer under a BBA or the CAP Act. West Virginia has the fifth highest childhood and overall poverty rate in the nation, with 25.2% and 17.3% respectively, and an estimated 22% of West Virginians experienced food hardship or insecurity within the last

year. "The BBA and the CAP Act are solutions in search of problems. They both deny the reality of our current situation and allow gutless politicians to sound tough on spending without proposing real solutions. It is the proverbial all hat and no cattle."

Congressman Jesse L. Jackson, Jr. recently spoke on the House Floor regarding the proposed Balanced Budget Constitutional Amendment. He outlined the five faults of the Amendment, which would make recessions deeper and more frequent; heighten the risk of default; reduce needed investments for the future; favor wealthy Americans over middle- and low-income Americans; and weaken the principle of majority representative rule and allow for the federal judiciary (lifetime appointees) to enter the budget process for the first time in the nation's history. Washington Post columnist Ezra Klein also [noted](#) that under a BBA, not a single budget of the Bush or Reagan Administrations would qualify as Constitutional. In fact, the only recent Administration which would not violate the requirements of the Balanced Budget Amendment would be President Clinton for only two of his budgets. For the full text of Congressman Jackson's floor statement, please click

[here](#)

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